



# भारत का राजपत्र

## The Gazette of India

प्रसाधारण

EXTRAORDINARY

भाग II—खण्ड II

PART II—Section II

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह प्रत्येक संकलन के रूप में रखा जा सके

Separate paging is given to this Part in order that it may be filed  
as a separate compilation.

## LOK SABHA

The following Bills were introduced in Lok Sabha on the 14th November; 1967:—

BILL No. 150 OF 1967

*A Bill further to amend the Wealth-tax, Act 1957, the Gift-tax Act, 1958, and the Income-tax Act, 1961, and to amend the Finance (No. 2) Act, 1967.*

BE it enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Taxation Laws (Amendment) Act, 1967.

5 (2) It shall be deemed to have come into force on the 1st day of October, 1967, except that section 5 shall be deemed to have come into force on the 14th day of September, 1967.

Short title,  
and com-  
mence-  
ment.

Amend-  
ment of  
Act 27 of  
1957.

2. In the Wealth-tax Act, 1957, in sections 31 and 34A, for the words "six per cent", the words "nine per cent" shall be substituted.

Amend-  
ment of  
Act 18 of  
1958.

3. In the Gift-tax Act, 1958, in sections 32 and 33A, for the words "six per cent", the words "nine per cent", shall be substituted.

Amend-  
ment of  
Act 43 of  
1961.

4. In the Income-tax Act, 1961,—

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(i) in section 37, after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in sub-section (1) or sub-section (2), no allowance shall be made in respect of so much of the expenditure in the nature of entertainment expenditure incurred by any assessee during any previous year which expires after the 30th day of September, 1967, as is in excess of the aggregate amount computed as hereunder:—

(i) on the first Rs. 10,00,000 of the profits and gains of the business or profession (computed before making any allowance under section 33 or section 33A or in respect of entertainment expenditure) at the rate of 15½ per cent. or Rs. 5,000, whichever is higher;

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(ii) on the next Rs. 40,00,000 of the profits and gains of the business or profession (computed in the manner aforesaid) at the rate of 1½ per cent.;

(iii) on the next Rs. 1,20,00,000 of the profits and gains of the business or profession (computed in the manner aforesaid) at the rate of 1½ per cent.;

(iv) on the balance of the profits and gains of the business or profession (computed in the manner aforesaid). nil:

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Provided that where the previous year of any assessee falls partly before and partly after the 30th day of Septem-

ber, 1967, the allowance in respect of such expenditure incurred during the previous year shall not exceed—

(a) in the case of a company—

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(ii) in respect of such expenditure incurred after  
the 30th day of September, 1967, the sum which bears  
to the aggregate amount computed at the rate or  
rates specified in this sub-section, the same propor-  
tion as the number of days comprised in the period  
commencing on the 1st day of October, 1967, and  
ending with the last day of the previous year bears  
20 to the total number of days in the previous year;

(b) in any other case—

(i) in respect of such expenditure incurred before the 1st day of October, 1967, the amount admissible under sub-section (1);

25 (ii) in respect of such expenditure incurred after the 30th day of September, 1967, the sum which bears to the aggregate amount computed at the rate or rates specified in this sub-section, the same proportion as the number of days comprised in the period commencing on the 1st day of October, 1967, and ending with the last day of the previous year bears to the total number of days in the previous year.”;

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35 (ii) in sections 132A, 139, 201, 213 to 217, 220, 243 and 244, for the words "six per cent", the words "nine per cent", shall be substituted;

(iii) in section 280X,—

(a) in sub-section (1), clause (b) of the proviso shall be omitted:

(b) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

*Explanation.*—(i) In this section, the expression “annuity deposit required to be made” shall mean the amount of annuity deposit calculated on the adjusted total income of the depositor at the rate or rates specified in the Finance Act of the relevant year, but where the amount so calculated exceeds the amount computed in the manner specified in clause (ii) of this *Explanation* (the amount so computed being hereinafter referred to as the specified amount), then, the annuity deposit required to be made shall mean the specified amount.

(ii) The specified amount referred to in clause (i) of this *Explanation* shall be—

(a) in a case where the total income (as computed without making any allowance under section 2800) exceeds fifteen thousand rupees but does not exceed twenty thousand rupees, an amount equal to one per cent. of the adjusted total income of the depositor;

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(b) in a case where the total income (computed in the manner aforesaid) exceeds twenty thousand rupees but does not exceed twenty-five thousand rupees, an amount equal to—

(1) the aggregate of the sum calculated at one per cent. on so much of the adjusted total income as does not exceed twenty thousand rupees and the sum by which the total income (computed in the manner aforesaid) exceeds twenty thousand rupees, or

30

(2) one and a half per cent. of the adjusted total income of the depositor,

whichever is less;

(c) in a case where the total income (computed in the manner aforesaid) exceeds twenty-five thousand rupees, an amount equal to the aggregate of the sum calculated at one and a half per cent. on so much of the adjusted total income as does not exceed twenty-five thousand rupees and the sum by which the total income (computed in the manner aforesaid) exceeds twenty-five thousand rupees.

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**5. In the Finance (No. 2) Act, 1967,—**

**Amend-  
ment of  
Act 20 of  
1967.**

(i) in section 3, for sub-section (1), the following sub-section shall be, and shall be deemed always to have been, substituted, namely:—

5 " (1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, annuity deposit shall be made by every person to whom the provisions of that Chapter apply—

(a) for the assessment year commencing on the 1st day of April, 1967, at the rate or rates specified in Part I of the Second Schedule; and

(b) during the financial year commencing on the 1st day of April, 1967 (in relation to the adjusted total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1968), at the rate or rates specified in Part II of the Second Schedule.”;

(ii) for the Second Schedule, the following Schedule shall be, and shall be deemed always to have been, substituted, namely:—

## THE SECOND SCHEDULE

20 (See section 3)

## PART I

RATES OF ANNUITY DEPOSIT FOR THE ASSESSMENT YEAR 1967-68

	(i) In the case of any depositor whose total income does not exceed Rs. 15,000	Nil.
25	(ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	5 per cent. of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed half the amount by which the total income exceeds Rs. 15,000.

30 (iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000 7½ per cent. of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

35 (a) an amount calculated at five per cent. on so much of the adjusted total income as does not exceed Rs. 20,000;

(b) one-half of the amount by which the total income exceeds Rs. 20,000.

(iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000      10 per cent. of the adjusted total income: 5

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at seven and a half per cent. on so much of the adjusted total income as does not exceed Rs. 40,000;      10

(b) one-half of the amount by which the total income exceeds Rs. 40,000.

(v) In the case of a depositor whose total income exceeds Rs. 70,000      12½ per cent. of the adjusted total income: 15

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at ten per cent. on so much of the adjusted total income as does not exceed Rs. 70,000;

(b) one-half of the amount by which the total income exceeds Rs. 70,000.      20

## PART II

### RATES OF ANNUITY DEPOSIT TO BE MADE DURING THE FINANCIAL YEAR

1967-68

(i) In the case of any depositor whose total income does not exceed Rs. 15,000      Nil.      25

(ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000      6 per cent. of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed half the amount by which the total income exceeds Rs. 15,000.      30

(iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000      9 per cent. of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at six per cent. on so much of the adjusted total income as does not exceed Rs. 20,000;

5 (b) one-half of the amount by which the total income exceeds Rs. 20,000.

(iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000      12 per cent. of the adjusted total income :

10 Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at nine per cent. on so much of the adjusted total income as does not exceed Rs. 40,000;

15 (b) one-half of the amount by which the total income exceeds Rs. 40,000.

(v) In the case of a depositor whose total income exceeds Rs. 70,000      15 per cent. of the adjusted total income :

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

(a) an amount calculated at twelve per cent. on so much of the adjusted total income as does not exceed Rs. 70,000;

(b) one-half of the amount by which the total income exceeds Rs. 70,000.

25 *Explanation.*—In this Schedule, “total income means total income computed in the manner laid down in the Income-tax Act without making any allowance under section 2800 of that Act.”

5 of 1898. 6. (1) The Taxation Laws (Amendment) Ordinance, 1967, is Repeal hereby repealed. and saving.

30 (2) Notwithstanding such repeal, anything done or any action taken under any provision of the said Ordinance shall be deemed to have been done or taken under the corresponding provision of this Act as if such provision was in force on the date on which such thing was done or action taken.

## STATEMENT OF OBJECTS AND REASONS

With a view to improving the financial resources of the Government the President promulgated an Ordinance known as the Taxation Laws (Amendment) Ordinance, 1967 (5 of 1967), on the 14th September, 1967. This Ordinance made certain amendments to the Finance (No. 2) Act, 1967, the Income-tax Act, 1961, the Wealth-tax Act, 1957, and the Gift-tax Act, 1958. These amendments relate to the following matters:—

(1) *Annuity deposits under the Income-tax Act on current incomes.*—The rates at which annuity deposits are required to be made under the Income-tax Act by resident non-corporate taxpayers during the present financial year in relation to their current incomes falling due for assessment in 1968-69 have been enhanced, all along the line, by 20 per cent. of the rates prescribed in this behalf by the Finance (No. 2) Act, 1967. The Income-tax Act has been amended to make it obligatory on taxpayers having a total income over Rs. 15,000 but not over Rs. 25,000 to make annuity deposits to the extent of the difference between the rates as enhanced and the rates as originally specified in the Financ (No. 2) Act, 1967.

(2) *Restriction on deduction of entertainment expenditure in businesses and professions.*—The limits up to which business entertainment expenditure incurred by companies is allowable as a deduction in computing their taxable income under the Income-tax Act have been reduced and the reduced limits made applicable also to non-corporate taxpayers. These limits are to apply in respect of entertainment expenditure incurred in businesses and professions after September 30, 1967.

(3) *Increase in the rate of interest chargeable from, and payable to, taxpayers under the Income-tax Act, Wealth-tax Act and the Gift-tax Act.*—Simple interest at the rate of 6 per cent. per annum was chargeable from taxpayers under the Income-tax Act for delay in filing of return, on tax dues in arrear and on shortfalls in payment of advance tax due. This has been enhanced to 9 per cent. per annum by the said Ordinance. Likewise, the Ordinance has increased from 6 per cent. to 9 per cent. per annum the rate at which simple interest is payable by Government to taxpayers on

excess payments of advance tax, on delayed refunds, and, in a case where the assets of a person have been seized in the course of a search, on the moneys retained in excess of the tax liability of the person. The rate at which simple interest is chargeable from, and payable to, taxpayers under the Wealth-tax Act and the Gift-tax Act has similarly been enhanced from 6 per cent. to 9 per cent. per annum. The increased rate of interest of 9 per cent. will be effective from October 1, 1967.

The Bill seeks to replace the said Ordinance.

NEW DELHI;

MORARJI DESAI.

*The 2nd November, 1967.*

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FINANCIAL MEMORANDUM

Clauses 2 and 3, respectively, amend, among others, section 34A of the Wealth-tax Act, 1957 and section 33A of the Gift-tax Act, 1958. Clause 4 amends, among others, sections 132A, 214, 243 and 244 of the Income-tax Act, 1961. These amendments provide for an increase from 6 per cent. to 9 per cent. per annum in the rate at which simple interest is payable by the Central Government to assessees in certain circumstances. The exact amount of interest payable by the Central Government as a result of these amendments cannot be foreseen at present.

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## BILL No. 153 OF 1967

*A Bill further to amend the Essential Commodities Act, 1955, and to continue the Essential Commodities (Amendment) Act, 1964, for a further period.*

BE it enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. This Act may be called the Essential Commodities (Second Short title, Amendment) Act, 1967.

Amend-  
ment of  
section 2.

2. In section 2 of the Essential Commodities Act, 1955 (hereinafter referred to as the principal Act),—

10 of 1955.

(a) after clause (c), the following clause shall be inserted, namely:—

‘(cc) “order” includes a direction issued thereunder;’; 5

(b) after clause (d), the following clause shall be inserted, namely:—

‘(e) “sugar” means—

(i) any form of sugar containing more than ninety per cent. of sucrose, including sugar candy; 10

(ii) khandsari sugar or bura sugar or crushed sugar or any sugar in crystalline or powdered form; or

(iii) sugar in process in vacuum pan sugar factory or raw sugar produced therein.’

Amend-  
ment of  
section 3.

3. In section 3 of the principal Act,—

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(a) in sub-section (1), after the words “at fair prices”, the words “or for securing any essential commodity for the defence of India or the efficient conduct of military operations” shall be inserted;

(b) in sub-section (2), in clause (j), the following shall be 20 inserted at the end, namely:—

“and of any books of accounts and documents which in his opinion would be useful for, or relevant to, any proceedings under this Act and the return of such books of accounts and documents to the person from whom they were seized 25 after copies thereof or extracts therefrom as certified by that person in the manner specified in the order have been taken.”;

(c) after sub-section (3B), the following sub-section shall be inserted, namely:—

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‘(3C) Where any producer is required by an order made with reference to clause (f) of sub-section (2) to sell any kind of sugar (whether to the Central Government or a

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State Government or to an officer or agent of such Government or to any other person or class of persons) and either no notification in respect of such sugar has been issued under sub-section (3A) or any such notification, having been issued, has ceased to remain in force by efflux of time, then, notwithstanding anything contained in sub-section (3), there shall be paid to that producer an amount therefor which shall be calculated with reference to such price of sugar as the Central Government may, by order, determine, having regard to—  
10

(a) the minimum price, if any, fixed for sugarcane by the Central Government under this section;

(b) the manufacturing cost of sugar;

15 (c) the duty or tax, if any, paid or payable thereon; and

(d) the securing of a reasonable return on the capital employed in the business of manufacturing sugar,

20 and different prices may be determined from time to time for different areas or for different factories or for different kinds of sugar.

*Explanation.*—For the purposes of this sub-section, “producer” means a person carrying on the business of manufacturing sugar.’.

4. In section 6A of the principal Act,—

Amend-  
ment of  
section  
6A.

25 (a) for the words “foodgrains, edible oilseeds or edible oils are seized”, in both the places where they occur, the words “essential commodity is seized” shall be substituted;

(b) for the words “they may”, the words “it may” shall be substituted;

30 (c) for the words “may order confiscation of the foodgrains, edible oilseeds or edible oils”, the words “may order confiscation of the essential commodity so seized” shall be substituted.

5. In section 6B of the principal Act,—

Amend-  
ment of  
section  
6B.

35 (a) for the words “any foodgrains, edible oilseeds or edible oils”, the words “any essential commodity” shall be substituted;

(b) for the word "articles" in both the places where it occurs, the words "essential commodity" shall be substituted;

(c) for the words "they are seized", the words "it is seized" shall be substituted.

6. In section 6C of the principal Act, in sub-section (2),— 5

(a) for the words "return the foodgrains or edible oilseeds or edible oils seized", the words "return the essential commodity seized" shall be substituted;

(b) for the words "as if the foodgrains, edible oilseeds or edible oils, as the case may be", the words "as if the essential commodity" shall be substituted; 10

(c) for the word "articles", the words "the essential commodity" shall be substituted;

(d) for the words, brackets, figures and letter "and such price shall be determined in accordance with the provisions of 15 sub-section (3B) of section 3", the following shall be substituted, namely:—

"and such price shall be determined—

(i) in the case of foodgrains, edible oilseeds or edible oils, in accordance with the provisions of sub-section 20 (3B) of section 3;

(ii) in the case of sugar, in accordance with the provisions of sub-section (3C) of section 3; and

(iii) in the case of any other essential commodity, in accordance with the provisions of sub-section (3) of 25 section 3.".

7. In section 7 of the principal Act,—

(a) in sub-section (1)—

(i) for the words and figure "If any person contravenes any order made under section 3", the words and figure "If 30 any person contravenes, whether knowingly, intentionally or otherwise, any order made under section 3" shall be substituted;

(ii) in sub-clause (ii) of clause (a), for the words "three years", the words "five years" shall be substituted; 35

(iii) for the proviso to clause (a), the following proviso shall be substituted, namely:—

"Provided that in the case of a first offence, if the Court is of opinion that a sentence of fine only will meet the ends of justice, it may, for reasons to be recorded, 40

refrain from imposing a sentence of imprisonment and in the case of a second or subsequent offence, the Court shall impose a sentence of imprisonment and such imprisonment shall not be less than one month; and";

5 (iv) for clause (b) (excluding the proviso), the following shall be substituted, namely:—

• “(b) any property in respect of which the order has been contravened or such part thereof as to the Court may seem fit including any packages, coverings or receptacles in which the property is found and any animal, vehicle, vessel or other conveyance used in carrying the property, shall be forfeited to the Government:”;

10 (b) in sub-section (2), for the words “three years”, the words “five years” shall be substituted;

15 (c) after sub-section (2), the following sub-section shall be inserted, namely:—

20 “(3) Where a person having been convicted of an offence under sub-section (1) is again convicted of an offence under that sub-section for contravention of an order in respect of an essential commodity, the Court by which such person is convicted shall, in addition to any penalty which may be imposed on him under that sub-section, by order, direct that that person shall not carry on any business in that essential commodity for such period, not being less than six months, 25 as may be specified by the Court in the order.”.

8. In section 9 of the principal Act, for the words “three years”, Amend-  
the words “five years” shall be substituted. ment of  
section 9.

9. After section 10 of the principal Act, the following section shall be inserted, namely:— Insertion  
of new  
section  
10A.

30 10A. Notwithstanding anything contained in the Code of Cri-  
minal Procedure, 1898, every offence punishable under this Act shall be cognizable and bailable.”.

**of 1898.** Offences  
to be cog-  
nizable  
and bail-  
able.

35 10. The duration of the Essential Commodities (Amendment) Act, 1964, is further extended for the period up to and including the 31st day of December, 1969, and accordingly that Act shall have effect subject to the modification that in section 1 of that Act, in sub-section (3), for the words, figures and letters “the 31st day of December, 1967”, the words, figures and letters “the 31st day of December, 1969” shall be substituted.

Contin-  
nuance  
of Act 47  
of 1964.

Repeal  
and  
saving.

6 of 1967.  
8 of 1967.

11. (1) The Essential Commodities (Amendment) Ordinance, 1967, and the Essential Commodities (Second Amendment) Ordinance, 1967, are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinances 5 shall be deemed to have been done or taken under the principal Act as amended by this Act as if—

(a) clause (b) of section 2 and clause (c) of section 3 of this Act had come into force on the 21st day of October, 1967; and

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(b) the rest of this Act [except clause (a) of section 3 and this section] had come into force on the 16th day of September, 1967:

Provided that during the period commencing on the 16th day of September, 1967, and ending with the 20th day of October, 1967, 15 clause (d) of section 6 of this Act shall have effect subject to the modification that the brackets, figures and letter "(ii) in the case of sugar, in accordance with the provisions of sub-section (3C) of section 3;" had been omitted therefrom.

### STATEMENT OF OBJECTS AND REASONS

At the conference of the Chief Ministers in July 1967 at New Delhi, it was suggested that the penal provisions under the Essential Commodities Act, 1955, should be made more stringent and their implementation made more effective. The Government, after carefully examining the suggestion, considered it necessary to amend the Act by the Essential Commodities (Amendment) Ordinance, 1967, in certain respects as indicated below:

(i) The Act as amended by the Essential Commodities (Amendment) Act, 1966 (25 of 1966), provided for the confiscation by district authorities of foodgrains, edible oils or edible oil-seeds, whenever they were seized in pursuance of an order made under section 3 of the Act. The Government considered that this provision should be enlarged to cover all essential commodities.

(ii) Offences under the Act were not cognizable. It was felt that the offences should be made cognizable and bailable and further that the maximum punishment for certain offences under the Act should also be increased from imprisonment for three years to imprisonment for five years.

(iii) The Act did not contain provision for awarding a minimum punishment to habitual offenders. For the proper working of the Act, it was considered necessary to provide for the award of minimum punishment to habitual offenders and also to empower the court to direct that any such person shall not carry on any business in the essential commodity (with respect to which he has been convicted) for such period, not being less than six months, as may be specified by the court.

(iv) Persons committing offences under the Act sometimes escaped punishment for contravention of orders made thereunder on the plea that the offences were not committed by them deliberately. It was felt necessary to amend the Act so as to make contravention of an order made thereunder punishable whether the order was contravened knowingly, intentionally or otherwise.

(v) The provision for summary trials under the Act is available only up to the 31st December, 1967. It was felt necessary to extend the operation of this provision for a further period of two years, that is to say, up to 31st December, 1969.

2. The present control over prices and distribution of sugar applies to the entire sugar production and stocks with factories, and is exercised under section 3 of the Essential Commodities Act, 1955. With a view to augment sugar production during the year 1967-68, the Central Government decided on a policy of partial control and to procure sixty per cent. or such higher percentage, as may be necessary, of the sugar production of factories in 1967-68 so as to make up the quantity of sugar procured to a minimum of 13 lakh tonnes. Such procurement will be at a fixed price for distribution through regulated channels. The balance of production will be available for sale by factories anywhere in India in the free market, subject to monthly releases to be sanctioned by the Government. The Government therefore considered it necessary to amend the Act by the Essential Commodities (Second Amendment) Ordinance, 1967, providing for the manner of fixation of the price of sugar whenever sugar is procured as mentioned above.

3. It is considered necessary to take powers under the Act to issue orders under section 3 thereof for securing any essential commodity for the defence of India or the efficient conduct of military operations also. For that purpose, it is proposed to amend sub-section (1) of section 3 of the Act suitably.

4. The Bill seeks to replace the two Ordinances aforesaid and to amend sub-section (1) of section 3 of the Act for the purpose mentioned in paragraph 3.

NEW DELHI;

DINESH SINGH.

*The 4th November, 1967.*

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FINANCIAL MEMORANDUM

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Under clause 3(a), which seeks to amend sub-section (1) of section 3 of the Act, the Central Government is being empowered to require any person holding in stock any essential commodity to sell the whole or a specified part of the stock to the Central Government or a State Government or to an officer or agent of such Government or to such other person or class of persons for the use of the Armed Forces. Though expenditure will have to be incurred from the Consolidated Fund of India on such requisition, an approximate estimate of the expenditure to be incurred cannot be made at this stage.

Under clause 3(c) of the Bill, which inserts a new sub-section (3C) in section 3 of the Act, when sugar is sold to the Central Government or a State Government or to an officer or agent of such Government or to any other person or class of persons, the producer has to be paid the price therefor in accordance with that sub-section. Although there is provision for procurement of sugar by the Central Government, in practice the sugar factories will be directed to sell sugar to the State Governments or their nominees or the nominees of the Army Purchase Organisation in respect of sugar required for supply to Defence Services. However, if at all the Central Government procures sugar direct from the producer, an approximate estimate of the expenditure to be incurred therefor cannot be made at this stage.

Clause 4 of the Bill provides for confiscation of all essential commodities by district authorities whenever they are seized in pursuance of an Order made under section 3 of the Act. Clause 7(a) (iv) provides for the forfeiture of packages, coverings or receptacles in which essential commodities are carried and animals, vehicles, vessels or other conveyances used in carrying them. These provisions seek to confer certain statutory powers on the executive as well as on the courts. For implementing the provisions in respect of confiscation of essential commodities in relation to Union territories under orders of collectors, it may become necessary to employ additional staff. In this case also an approximate estimate of the additional expenditure cannot be made at this stage as it is not possible to foresee the number of cases in which resort to confiscation may become necessary.

Under clause 6 of the Bill which seeks to amend section 6C of the Act, the person from whom the essential commodity is confiscated has to be paid the price therefor in the circumstances stated in that section. Though this may involve additional expenditure from the Consolidated Fund of India an approximate estimate of the additional expenditure cannot be made at this stage.

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Under section 3 of the Essential Commodities Act, 1955, as proposed to be amended by clause 3(a) of the Bill, the Government will have power to make an order under that section for securing any essential commodity for the defence of India or the efficient conduct of military operations also; and under that section, as proposed to be amended by clause 3(b) of the Bill, the Government will have power to include in an order made under that section additional matters relating to seizure of the books of accounts and documents and the return of such books of accounts and documents after copies thereof or extracts therefrom have been taken.

The delegation of legislative power is of a normal character.

## BILL No. 151 OF 1967

*A Bill further to amend the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953.*

Be it enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. This Act may be called the Khadi and Other Handloom Short Industries Development (Additional Excise Duty on Cloth) Amendment Act, 1967.

12 of 1953  
2. In section 5 of the Khadi and Other Handloom Industries Amendment Act, 1953, in sub-section (2) (e), after the words "exempt from", the words "the whole or any part of" shall be, and shall be deemed to have been, inserted with effect from the 1st day of March, 1960.

### STATEMENT OF OBJECTS AND REASONS

Under section 5(2) (e) of the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953 (12 of 1953), cut pieces of cotton fabrics (popularly known as 'fents') and handloom woollen fabrics were exempted from the payment of the additional excise duty (commonly known as 'handloom cess') under this Act from the 1st March, 1960 and from the 24th April, 1962 respectively. It has been pointed out that under the said provisions of the Act, the Central Government is not empowered to grant exemption from the handloom cess in respect of those fabrics which are not wholly exempt from the duty of excise leviable under the Central Excises and Salt Act, 1944 (1 of 1944). The object of the Bill is to amend the said section 5(2) (e) so as to empower the Central Government to grant exemption under this Act even in cases where the fabrics are partially exempt from the excise duty imposed under the Central Excises and Salt Act, 1944 (1 of 1944) and to make the amendment retrospective from the 1st March, 1960 so as to validate the exemptions granted in the past.

NEW DELHI;

DINESH SINGH.

*The 6th September, 1967.*

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 2 of the Bill seeks to amend section 5(2) (e) of Act 12 of 1953 so as to empower the Central Government to grant exemption from the handloom cess under the Act even in respect of those fabrics which are partially exempt from the excise duty imposed under the Central Excises and Salt Act, 1944. The matter in respect of which such rules may be made is one of procedure and detail. The delegation of legislative power is thus of a normal character.

BILL No. 152 of 1967

*A Bill further to amend the Court-fees Act, 1870, as in force in the Union territory of Delhi.*

Be it enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Court-fees (Delhi Amendment) Short title and extent. Act, 1967.

5       (2) It extends to the whole of the Union territory of Delhi.

7 of 1870. 2. In the Court-fees Act, 1870, as in force in the Union territory Amend-  
of Delhi (hereinafter referred to as the principal Act), in section 4, ment of  
section 4

10       (a) in the marginal heading to the first paragraph, for the words “in High Courts in their extraordinary jurisdiction”, the words “in the High Court of Delhi in its ordinary or extraordinary jurisdiction” shall be substituted;

(b) in the first paragraph, for the words "any of the said High Courts in any case coming before such Court in the exercise of its extraordinary original civil jurisdiction", the words "the High Court of Delhi in any case coming before that Court in the exercise of its ordinary or extraordinary original civil jurisdiction" shall be substituted; 5

(c) in the third paragraph, for the words "other than", the word "including" shall be substituted;

(d) after the fifth paragraph "or in the exercise of its jurisdiction as a Court of reference or revision;", the following paragraphs shall be inserted, namely:— 10

"or in the exercise of its jurisdiction to issue directions, orders or writs under the Constitution of India;

~~n the exercise of jurisdiction to issue writs, etc.~~

~~n the exercise of any other jurisdiction.~~

or in the exercise of its jurisdiction in any other matter;". 15

Amendment  
of Schedule  
II.

3. In Schedule II to the principal Act, in clause (d) of article 1, after sub-clause (ii), the following sub-clause shall be inserted, namely:—

"(ii-A) under article 226 of the Constitution of India other than petitions for *habeas corpus* and petitions arising out of criminal proceedings.

Fifty  
rupees".

20

Levy of fees  
in certain  
suits, etc.,  
instituted  
before com-  
mencement  
of this Act.

4. (1) Notwithstanding anything contained in the principal Act or in the principal Act as amended by this Act, fees shall be levied in suits or other proceedings instituted on or after the 31st day of 25 October, 1966, and pending immediately before the 7th October, 1967, in the High Court of Delhi by virtue, and in the exercise, of its ordinary original civil jurisdiction as if the principal Act, as amended by this Act, had been in force on the respective dates on which such suits or proceedings were instituted.

30

(2) Any fees levied in respect of suits or other proceedings instituted before the High Court of Delhi by virtue, and in the exercise, of its ordinary original civil jurisdiction, on or after the 31st day of October, 1966, and disposed of before the 7th October, 1967, shall be deemed to have been levied in accordance with law.

35

7 of 1967-

5. (1) The Court-fees (Delhi Amendment) Ordinance, 1967, is Repeal and  
hereby repealed. saving

(2) Notwithstanding such repeal, anything done or any action  
taken under the principal Act as amended by the said Ordinance  
shall be deemed to have been done or taken under the correspond-  
ing provision of the principal Act as amended by this Act as if this  
Act had commenced on the 7th October, 1967.

## STATEMENT OF OBJECTS AND REASONS

Under section 5(2) of the Delhi High Court Act, 1966 (26 of 1966), ordinary original civil jurisdiction in suits the value of which exceeds Rs. 25,000 has been conferred on the High Court of Delhi. Prior to the establishment of that High Court, such suits were filed in the Court of the District Judge and court-fees were levied in accordance with section 6 of the Court-fees Act, 1870, as in force in the Union territory of Delhi. That Act, however, did not contain a specific provision for the levy of court-fees in cases coming before the High Court of Delhi in the exercise of the ordinary original civil jurisdiction conferred on it and parties began to file suits without paying any court-fees which resulted in loss of revenue estimated to be about rupees one lakh per month. In order to prevent this recurring loss, the Court-fees Act, 1870, as in force in the Union territory of Delhi, was amended by the Court-fees (Delhi Amendment) Ordinance 1967, which was promulgated by the President on the 7th October, 1967. The Ordinance provided for the levy of court-fees in suits and proceedings instituted before the High Court of Delhi, by virtue of its ordinary original civil jurisdiction, at the rates prescribed under the Court-fees Act, 1870. The Ordinance also provided for the levy of court-fees on such suits and proceedings instituted on or after the 31st October, 1966, being the date on which the High Court of Delhi was established, and pending immediately before the commencement of the Ordinance, and further validated the levy in cases where court-fees might have been paid in such suit, and proceedings instituted on or after the 31st October 1966 and disposed of before the commencement of the Ordinance. The opportunity was availed of to raise the court-fee in respect of writ petitions, other than petitions for *habeas corpus* and petitions arising out of criminal proceedings, from Rs. 2.65 to Rs. 50.

This Bill seeks to replace the Ordinance.

NEW DELHI:

The 5th November, 1967.

VIDYA CHARAN SHUKLA

S. L. SHAKDHER,  
*Secretary*

*"Erratum"*

In the Extra-ordinary issue of the Gazette of India, Part II, Section 2, dated the 18th August, 1967 (Bill No. XV of 1967—the Monopolies and Restrictive Trade Practices Bill, 1967), at page 943, line 5, for "Monopolistic" read "Monopolies".

